NSC BRIEFING



24 July 1960

IRAN

- I. A new Soviet approach to Iran occurred on 19 July when
 Khrushchev sent a note to Shah, which American Ambassador
 in Tehran described, on the basis of information furnished
 him, as "more friendly than threatening."
 - A. Khrushchev suggested in the note that Iran and the USSR exchange assurances that no third country would be allowed to use, construct or maintain military bases or to station armed forces on territory or other.
 - B. He added that such an agreement would result not only in Soviet assistance, including joint economic projects but might result in increased American aid as well.
- II. Shah under strong pressure from neutralist-minded politicians to reduce American influence in Iran and balance it by accommodation with the USSR.
 - A. These are same politicians who nearly brought about an Iranian-Soviet non-aggression pact in early 1959.

 B. Shah aware of pitfalls in any agreement with Soviets
 - but seems to feel he must make some gesture to ease constant propaganda and political pressure from USSR. He probably will not do anything to jeopardize seriously his standing with the West. However, he may feel he must make some gesture toward USSR and seems to be

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21 ASS. CHANGED TO: TS S
VEXT REVIEW DATE:
DATE: HRZP-20
REVIEWER:

Approved For Release 2000/08/29 : CIA-EDP79R00890A001200070014-2

Approved For Release 2000/08/29 CTA-RDP79R00890A001200070014-2

considering assuring Khrushchev that Iran will not be used as a base for reconnaissance flights over the USSR and that no foreign missile bases will be allowed.

- III. Within Iran, long-standing but unorganized dissatisfaction with the government may become more intense when parliamentary elections begin in early August.
 - A. Although Shah has promised "free" elections, there is little doubt that only candidates approved by Shah will be elected.
 - B. Iranian public has no illusion about outcome but effect of rigging on public opinion depends in part on finesse with which it is carried out.